GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5449
ANSWERED ON:22.12.2000
CASH HELD BY DIRECTOR TEA PRODUCTION
CHANDRA NATH SINGH

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

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(a) whether Director, Tea Production, London had liquid cash in current account much in excess of requirement during 1993-98 causing loss of interest of Rs.25.95 lakhs to the country; (

(b) if so, whether the matter has been inquired into and any responsibility fixed; and (

(c) if so, the action taken in the matter?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (c) : In view of the broad nature of activities of Tea Board, the officer incharge of the overseas office is required to hold cash balances required as per commitments pertaining to salaries, rents, telephone bills, fairs and exhibitions, advertisement and other promotional expenditure etc. Holding of cash balance is also necessary for the reason that funds are released to Tea Board on a quarterly basis by the Govt. and the process of obtaining foreign exchange permits, transfer of funds etc. takes time.

A draft audit para was received on this subject from the Principle Director of Audit, London. However, Govt. has requested the Principle Director of Audit to reconsider and drop the para for reasons mentioned above.